PolyMet Mining, Inc.'s NorthMet Mining Project Update

Minnesota Pollution Control Agency December 6, 2017

Background

- State environmental review concluded on March 3, 2016, allowing PolyMet to submit applications for permits.
- PolyMet would need several permits from the MPCA to authorize construction, including permits covering air quality, wastewater/water quality (NPDES/SDS), construction stormwater, and 401 certification (wetlands).

Current Permitting Status

- Water quality permit
 - Application submitted by PolyMet on July 11, 2016.
 - MPCA staff are continuing with a thorough technical evaluation of the application components and additional information provided by PolyMet. Work is ongoing in the areas of antidegradation, permit limitations and monitoring, and drafting permit requirements.
 - MPCA staff are engaging EPA Region 5 permitting staff as needed to receive feedback on various technical and policy issues.
 - Some differences of opinion have been identified, but to date none are considered unresolvable.

- 401 certification

- Application submitted by PolyMet on August 2, 2016.
- On July 21, 2017, PolyMet withdrew and resubmitted its request for Clean Water Act Section 401 Certification. The purpose of the withdrawal and resubmittal was to preserve State 401 Certification authority for the project. The Clean Water Act gives states one year to certify federal permits and licenses. If a state fails to act, it waives its right to impose conditions on the federal permit through the certification. PolyMet submitted a 401 certification request to the MPCA on August 2, 2016. To avoid an automatic waiver of its rights, the MPCA would have needed to take action by August 1, 2017 (by certifying, denying, or affirmatively waiving certification). As a result of the resubmittal, the new deadline for MPCA's certification decision is July 20, 2018.
- The MPCA continues to review the application, antidegradation analysis for the project's proposed mitigation, and other information provided by PolyMet. Work continues on identifying applicable requirements and potential certification conditions, and drafting the certification, technical support document, and antidegradation determination
- MPCA staff are continuing to coordinate with the Minnesota Department of Natural Resources and the U.S. Army Corps of Engineers during the certification process.

- Air quality permit

- Application submitted by PolyMet on August 24, 2016.
- The MPCA continues to review the plans, modeling reports, and other elements of the permit application.
- Work continues on identifying applicable requirements and subsequent permit conditions, and drafting the permit, technical support document (TSD) and attachments.
- Air permit application materials are posted online.

Next steps for Permitting/Certification

- MPCA staff will continue with technical review of the water quality application and development of furtherdefined draft permit requirements and the supporting permit fact sheet. MPCA will continue frequent dialogue with EPA Region V permitting staff.

- MPCA staff will continue with technical review of the air quality application and development of draft permit conditions.
- MPCA staff will continue to coordinate with the Minnesota Department of Natural Resources and the U.S. Army Corps of Engineers as needed during the 401 certification process.
- The timeline(s) for processing the applications remains unknown; it depends partly on the quality of information in the applications, whether PolyMet makes any modifications to its applications, as well as the degree of interaction with the public, EPA, and the Tribes.
- The permitting/certification process has opportunities for public input. This will include a formal public notice of the permits/certification and a public meeting(s). There are also opportunities for legal challenges following public notice and following permit/certification decisions, and we expect those to occur.
- There are important connections between the different permits requiring state and federal agencies to coordinate closely throughout the permitting process. For example, certain aspects of the MPCA water quality permit and the DNR permit to mine inform each other, requiring processing of the two permits to be closely linked.

Public Engagement

- The next quarterly update to the state's email subscription list for the project is expected in mid-January. The update will provide a summary of MPCA activities on the project during the fourth quarter of 2017.
- We will continue to make use of the email subscription list, the state web portal (https://polymet.mn.gov), and the MPCA website (https://www.pca.state.mn.us/northmet) to ensure the public has timely access to information, understands each permitting/certification process, and knows when there are opportunities for public engagement.